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SENATE BILL 193

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Dede Feldman

AN ACT

RELATING TO TAXATION; EXEMPTING ALTERNATIVE FUEL VEHICLES FROM
THE MOTOR VEHICLE EXCISE TAX AND MOTOR VEHICLE REGISTRATION
FEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-9-22 NMSA 1978 (being Laws 1969,
Chapter 144, Section 15, as amended) is amended to read:

"7-9-22. EXEMPTION--GROSS RECEIPTS TAX--VEHICLES. --

Exempted from the gross receipts tax are the receipts from
selling vehicles on which a tax is imposed by the Motor Vehicle
Excise Tax Act, [~~and on~~] vehicles subject to registration under
Section 66-3-16 NMSA 1978 and vehicles exempt from the motor
vehicle excise tax pursuant to Subsection F of Section 7-14-6
NMSA 1978. "

Section 2. Section 7-9-23 NMSA 1978 (being Laws 1969,

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1 Chapter 144, Section 16, as amended) is amended to read:

2 "7-9-23. EXEMPTION--COMPENSATING TAX--VEHICLES. --Exempted
3 from the compensating tax is the use of vehicles on which the
4 tax imposed by the Motor Vehicle Excise Tax Act has been paid,
5 [~~and on~~] the use of vehicles subject to registration under
6 Section 66-3-16 NMSA 1978 and the use of vehicles exempt from
7 the motor vehicle excise tax pursuant to Subsection F of
8 Section 7-14-6 NMSA 1978. "

9 Section 3. Section 7-14-6 NMSA 1978 (being Laws 1988,
10 Chapter 73, Section 16, as amended) is amended to read:

11 "7-14-6. EXEMPTIONS FROM TAX. --

12 A. Persons who acquire a vehicle out of state
13 thirty or more days before establishing a domicile in this
14 state are exempt from the tax if the vehicle was acquired for
15 personal use.

16 B. Persons applying for a certificate of title for
17 a vehicle registered in another state are exempt from the tax
18 if they have previously registered and titled the vehicle in
19 New Mexico and have owned the vehicle continuously since that
20 time.

21 C. Certificates of title for all vehicles owned by
22 this state or any political subdivision are exempt from the
23 tax.

24 D. A vehicle subject to registration under Section
25 66-3-16 NMSA 1978 is exempt from the tax.

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1 E. Persons who acquire vehicles for subsequent
2 lease shall be exempt from the tax if:

3 (1) the person does not use the vehicle in any
4 manner other than holding it for lease or sale or leasing or
5 selling it in the ordinary course of business;

6 (2) the lease is for a term of more than six
7 months;

8 (3) the receipts from the subsequent lease are
9 subject to the gross receipts tax; and

10 (4) the vehicle does not have a gross vehicle
11 weight of over twenty-six thousand pounds.

12 F. Vehicles that operate exclusively on alternative
13 fuel or are gas-electric hybrid vehicles are exempt from the
14 tax. For purposes of this subsection, "alternative fuel" means
15 natural gas, liquefied petroleum gas, electricity, hydrogen, a
16 fuel mixture containing not less than eighty-five percent
17 ethanol or methanol, a fuel mixture containing not less than
18 twenty percent vegetable oil or a water-phased hydrocarbon fuel
19 emulsion consisting of a hydrocarbon base and water in an
20 amount not less than twenty percent by volume of the total
21 water-phased fuel emulsion."

22 Section 4. A new section of the Motor Vehicle Code is
23 enacted to read:

24 "[NEW MATERIAL] ALTERNATIVE FUEL VEHICLES EXEMPTED. --
25 Vehicles that operate exclusively on alternative fuel or are
. 142294. 1GR

underscored material = new
[bracketed material] = delete

1 gas-electric hybrid vehicles are exempt from motor vehicle
2 registration fees. For purposes of this section, "alternative
3 fuel" means natural gas, liquefied petroleum gas, electricity,
4 hydrogen, a fuel mixture containing not less than eighty-five
5 percent ethanol or methanol, a fuel mixture containing not less
6 than twenty percent vegetable oil or a water-phased hydrocarbon
7 fuel emulsion consisting of a hydrocarbon base and water in an
8 amount not less than twenty percent by volume of the total
9 water-phased fuel emulsion. "

10 Section 5. EFFECTIVE DATE. --The effective date of the
11 provisions of this act is July 1, 2003.

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